



FACT SHEET

U.S. Customs and Border Protection

Customs Duties

Overview

These provisions overview requirements for the treatment of customs duties, rates, and tariffs on goods originating and exported from the United States (U.S.), Mexico (MX) and Canada (CA) under USMCA. This fact sheet highlights key changes from the North American Free Trade Agreement (NAFTA).

References

- **USMCA**

- *Final Text:* Chapter 2, Article 2.1, 2.4, 2.6, 2.8, 2.9, 2.10, 2.15; Chapter 6, Article 2.15
- *HR 5430 Citation:* Title I, Section 101

- **NAFTA**

- *Final Text:* Chapter 3, Section B – Tariffs, Article 302, 304, 306, 307, 308, Annex 308.1-3; Chapter 3, Section C, Article 31

Significant Changes in USMCA

Provision	USMCA	NAFTA
General Treatment And Duty Free	<ul style="list-style-type: none"> Unless specifically excepted under USMCA, no new duties adopted or existing duties will increase on originating goods from U.S., MX, or CA. 	
Waivers	<ul style="list-style-type: none"> Prohibited if conditioned on performance requirements. 	<ul style="list-style-type: none"> Prohibited if conditioned on performance requirements. If shown to have adverse impacts on the following, waivers must be rescinded or made generally available to all importers from the U.S., CA, and MX: <ul style="list-style-type: none"> ○ Economy of the U.S., CA, or MX ○ Commercial interest of a person of, or controlled or owned by a person of the U.S., CA, or MX that is operating in the territory of the country that issued the waiver.
Eliminations	<ul style="list-style-type: none"> CA, MX, or U.S. may request an increase in the scope and/or pace of eliminations of the other signing countries duties. CA, MX, or U.S. may unilaterally increase the scope and/or pace of their own duties. 	<ul style="list-style-type: none"> CA, MX, or U.S. may request increase in the scope and/or pace of eliminations of the other signing countries duties.
Export Requirements	<ul style="list-style-type: none"> Statutory language modified for clarity. No change to the general execution of export duties. 	
Commercial Samples and Printed Advertising Materials	<ul style="list-style-type: none"> No change – Duty free, regardless of their origin, so long as samples are imported solely for the solicitation of goods in U.S., MX, or CA, or advertising packets contain no more than one copy of each such material. 	

[CBP.gov/Trade](#) | [@CBPTradeGov](#)

CBP Publication No. 1134-0620



This document is for informational and advisory purposes only. It is not intended to have legal or binding effect. Any decisions a reader makes based on this document are made with the understanding that the information in this document is advisory only and may change.

Provision	USMCA	NAFTA
Goods Re-entered after Repair or Alteration	<ul style="list-style-type: none"> No Party shall apply a customs duty to a good, regardless of its origin, that re-enters its territory after that good has been temporarily exported from its territory to the territory of another Party for repair or alteration. 	<ul style="list-style-type: none"> No Party may apply a customs duty to a good, regardless of its origin, that re-enters its territory after that good has been exported from its territory to the territory of another Party for repair or alteration, regardless of whether such repair or alteration could be performed in its territory.
Administrative Fees and Formalities	<ul style="list-style-type: none"> All fees and charges (other than customs duties, charges equivalent to an internal tax or other internal charges, and antidumping or countervailing duties) cannot – <ul style="list-style-type: none"> Exceed the approximate cost of services rendered; or Represent an indirect protection to a domestic good or a taxation of an import or export for fiscal purposes. 	<ul style="list-style-type: none"> No Party may adopt any customs U.S. fee of the type referred to in Annex 310.1 for originating goods. The Parties specified in Annex 310.1 may maintain existing such fees in accordance with that Annex. The United States shall not increase its merchandise processing fee and shall eliminate such fee according to the schedule set out, without regard to whether the goods are marked. The United States shall not increase its merchandise processing fee and shall eliminate such fee by June 30, 1999, on originating goods where those goods qualify to be marked as goods of Mexico pursuant to Annex 311, without regard to whether the goods are marked.

Detailed USMCA /NAFTA Side-by-Side

Provision	USMCA	NAFTA
General Treatment	<ul style="list-style-type: none"> Unless otherwise provided in this Agreement, no Party shall increase any existing customs duty, or adopt any new customs duty, on an originating good. Unless otherwise provided in this Agreement, each Party shall apply a customs duty on an originating good in accordance with its Schedule to Annex 2-B (Tariff Commitments). 	<ul style="list-style-type: none"> Except as otherwise provided in this Agreement, no Party may increase any existing customs duty, or adopt any customs duty, on an originating good.
Waivers	<ul style="list-style-type: none"> No Party shall adopt or maintain any waiver of a customs duty if the waiver is conditioned, explicitly or implicitly, on the fulfillment of a performance requirement. Performance requirement means a requirement that: <ol style="list-style-type: none"> a given level or percentage of goods or services be exported; a domestic good or service of the Party granting a waiver of a custom duty or an import license be substituted for an imported good or service; a person benefitting from a waiver of a custom duty or a grant of an import license, purchase a good or service in the territory of the Party granting the 	<ul style="list-style-type: none"> Except as set out in Annex 304.1, no Party may adopt any new waiver of customs duties, or expand with respect to existing recipients or extend to any new recipient the application of an existing waiver of customs duties, where the waiver is conditioned, explicitly or implicitly, on the fulfillment of a performance requirement. Except as set out in Annex 304.2, no Party may, explicitly or implicitly, condition on the fulfillment of a performance requirement the continuation of any existing waiver of customs duties. If a waiver or a combination of waivers of customs duties granted by a Party with respect to goods for commercial U.S.e by a designated person can be shown by another Party to have

Provision	USMCA	NAFTA
	<p>waiver or the import license or accord a preference to a domestically produced good or service;</p> <p>d) a person benefitting from a waiver of a custom duty or a grant of an import license produce a good or provide a service, in the territory of the Party granting the waiver or import license, with a given level or percentage of domestic content; or</p> <p>e) relates in any way the volume or value of imports to the volume or value of exports or to the amount of foreign exchange inflows.</p> <ul style="list-style-type: none"> • It does not include a requirement that an imported good be: <ul style="list-style-type: none"> a) subsequently exported; b) Used as a material in the production of another good that is subsequently exported; c) substituted by an identical or similar good used as a material in the production of another good that is subsequently exported; or d) substituted by an identical or similar good that is subsequently exported. 	<p>an adverse impact on the commercial interests of a person of that Party, or of a person owned or controlled by a person of that Party that is located in the territory of the Party granting the waiver, or on the other Party's economy, the Party granting the waiver shall either cease to grant it or make it generally available to any importer.</p> <ul style="list-style-type: none"> • This Article shall not apply to measures subject to Article 303, Restriction on Drawback and Duty Referral Programs.
Eliminations	<ul style="list-style-type: none"> • On the request of a Party, the Parties shall consult to consider accelerating or broadening the scope of the elimination of customs duties set out in their Schedules to Annex 2-B (Tariff Commitments). An agreement between two or more Parties to accelerate or broaden the scope of the elimination of a customs duty on an originating good shall supersede any customs duty rate determined pursuant to those Parties' Schedules to Annex 2-B (Tariff Commitments) for that good once approved by each Party in accordance with its applicable legal procedures. • A Party may at any time unilaterally accelerate the elimination of customs duties set out in its Schedule to Annex 2-B (Tariff Commitments) on originating goods. 	<ul style="list-style-type: none"> • Except as otherwise provided in this Agreement, each Party shall progressively eliminate its customs duties on originating goods in accordance with its Schedule to Annex 302.2. • On the request of any Party, the Parties shall consult to consider accelerating the elimination of customs duties set out in their Schedules. An agreement between two or more Parties to accelerate the elimination of a customs duty on a good shall supersede any duty rate or staging category determined pursuant to their Schedules for such good when approved by each such Party in accordance with its applicable legal procedures.

Provision	USMCA	NAFTA
Export Duties	<ul style="list-style-type: none"> No Party shall adopt or maintain any duty, tax, or other charge on the export of any good to the territory of another Party, unless the duty, tax, or charge is also applied to the good if destined for domestic consumption. 	<ul style="list-style-type: none"> Except as set out in Annex 314, no Party may adopt or maintain any duty, tax or other charge on the export of any good to the territory of another Party, unless such duty, tax or charge is adopted or maintained on: <ol style="list-style-type: none"> exports of any such good to the territory of all other Parties; and any such good when destined for domestic consumption.
Automotive Goods	<ul style="list-style-type: none"> Annex 2-C (Provisions between Mexico and the United States on Automotive Goods) contains additional provisions between Mexico and the United States relating to customs duties on automotive goods that are not originating under Chapter 4 (Rules of Origin). 	<ul style="list-style-type: none"> Not stated.
Commercial Samples and Printed Advertising Materials	<ul style="list-style-type: none"> No Party shall apply a customs duty to commercial samples of negligible value or to printed advertising materials imported from the territory of another Party, regardless of their origin, but a Party may require that: <ol style="list-style-type: none"> the samples be imported solely for the solicitation of orders for goods, or services provided from the territory, of another Party or a non-Party; or the advertising materials be imported in packets that each contain no more than one copy of each such material and that neither the materials nor the packets form part of a larger consignment. 	<ul style="list-style-type: none"> Each Party shall grant duty-free entry to commercial samples of negligible value, and to printed advertising materials, imported from the territory of another Party, regardless of their origin, but may require that: <ol style="list-style-type: none"> such samples be imported solely for the solicitation of orders for goods, or services provided from the territory, of another Party or non-Party; or such advertising materials be imported in packets that each contain no more than one copy of each such material and that neither such materials nor packets form part of a larger consignment.